

ESTTA Tracking number: **ESTTA736297**

Filing date: **03/28/2016**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91225408
Party	Plaintiff Pixels.com, LLC
Correspondence Address	MARI-ELISE GATES STITES & HARBISON PLLC 1800 DIAGONAL ROAD SUITE 325 ALEXANDRIA, VA 22314 UNITED STATES mgates@stites.com, jberes@stites.com, btaylor@stites.com
Submission	Other Motions/Papers
Filer's Name	Mari-Elise Gates
Filer's e-mail	mgates@stites.com
Signature	/mari-elise gates/
Date	03/28/2016
Attachments	ALEXANDRIA- #380493-v1-Renewed_Response_to_Instagram_s_Motion_to_Dismiss_Count_I I_and_III_of_Pixels_s_Opposition_to_INSTA.pdf(220623 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

PIXELS.COM, LLC

Pixels,

v.

INSTAGRAM, LLC

Instagram.

)
)
)
)
)
)
)
)
)
)

**Opposition No. 91225408
Serial No. 86/638,028**

PIXELS’ RESPONSE TO INSTAGRAM’S MOTION TO DISMISS

Pursuant to 37 C.F.R. § 2.127(a), **PIXELS.COM** (hereinafter “Pixels”), hereby responds to the Fed. R. Civ. P. 12(b)(6) Motion to Dismiss Counts II and III of Pixels’ Amended Notice of Opposition (hereinafter “Motion”) filed by Instagram, **INSTAGRAM, LLC** (hereinafter “Instagram”). Instagram argues in its motion that Pixels’ opposition to registration of the alleged mark INSTA on the ground of non-use and on the ground of fraud should be dismissed.¹

Pixels’ Amended Notice of Opposition alleges particular facts, which, if proven, demonstrate that Instagram has not used the alleged mark INSTA separate and apart from Instagram’s composite camera logo such that the alleged mark INSTA should be considered “used” in commerce. Pixels alleges that Instagram does not currently and has never used the term INSTA separate and apart from the composite logo, as shown in U.S. Registration No. 4,531,884. Pixels also alleges that Instagram has not used INSTA in such a way that it creates a separate and distinct commercial impression from the mark shown in U.S. Registration No. 4,531,884, and is therefore not registrable as a separate mark.

¹ Instagram alleges that Pixels has opposed registration of the “word version of the INSTA mark.” There is no “word version” of the INSTA mark. The INSTA mark is a composite logo, in which the word INSTA appears in very small lettering and as a very minor component of the mark.

Additionally, Pixels' states particular facts in its Amended Notice of Opposition, which, if proven, demonstrate that Instagram knowingly made false and material misrepresentations with the intention of procuring a registration to which it is not entitled. In particular, Pixels alleges that: (1) in prosecuting the application for registration of INSTA, Instagram knowingly made false misrepresentations of fact, which were material to the prosecution of the Application. (Amended Notice ¶ 37). For instance, when filing the application for INSTA, Instagram possessed full knowledge that Instagram did not possess exclusive rights in the alleged mark INSTA and that the alleged mark INSTA had not been used as a mark, in such a way to make a separate and distinct commercial impression apart from the design mark shown in U.S. Registration No. 4,531,884 (¶ 30); (2) the false representations of fact made by Instagram were made with the intention of inducing the Examining Attorney to the Application for publication and obtaining registration of the alleged mark INSTA (¶ 37); (3) the Examining Attorney relied on the Instagram's misrepresentations as to descriptiveness, distinctiveness and use to pass the Application for publication (¶37); and (4) the registration of Instagram's alleged marks INSTA will cause Pixels and others injury and damage in appropriately describing their products and services and will limit the ability of Pixels and others to continue to appropriately describe their products and services to the public (¶37).

Accordingly, Instagram's Motion should be denied because the Amended Notice of Opposition satisfies the pleading requirements of the Federal Rules of Civil Procedure, and Count II and Count III satisfactorily state claims on which relief may be granted.

I. FACTUAL BACKGROUND

Pixels does not dispute that Instagram owns the composite mark shown below (hereinafter "the camera logo"):

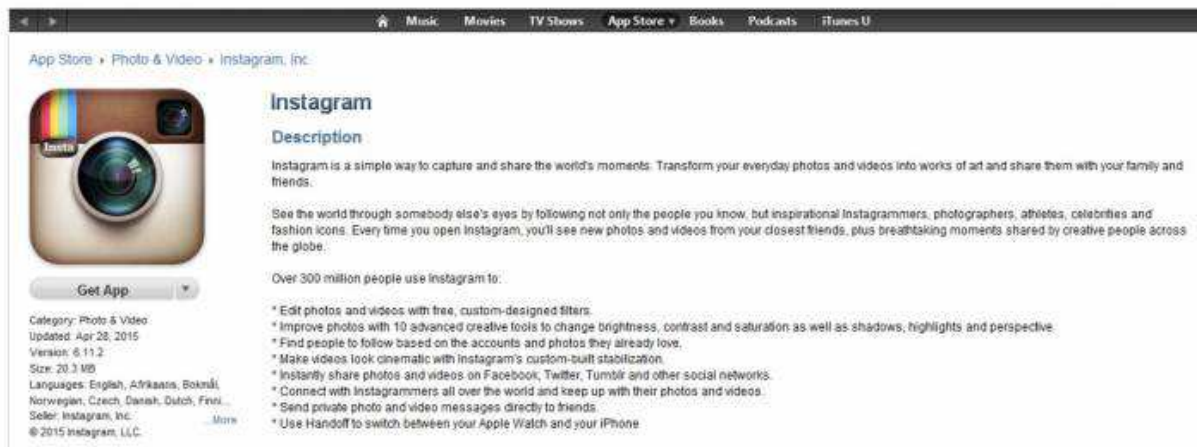


The camera logo is registered (U.S. Registration No. 4,531,884) for a variety of goods and services in Classes 9, 38, 41, 42, and 45.

Instagram filed U.S. Application Serial No. 86/638,028, on May 21, 2015, seeking registration of the alleged standard character mark INSTA under Section 1(a) of the Trademark Act, 15 U.S.C. §1051(a), in connection with “[d]ownloadable computer software for modifying the appearance and enabling transmission of photographs; computer software for the collection, editing, organizing, modifying, transmission, storage and sharing of data and information; computer software to enable uploading, downloading, accessing, posting, displaying, tagging, blogging, streaming, linking, sharing or otherwise providing electronic media or information via computer and communication networks” in International Class 9 (hereinafter “the Application”). Instagram falsely claimed in the Application that it had first used the alleged mark INSTA in connection with the goods listed in the Application on September 20, 2011.

However, Instagram does not currently and has never used the term INSTA as a mark. In fact, the specimen submitted by Instagram with the Application does not show INSTA alone.

Rather, the specimen shows use of the alleged mark INSTA as a very minor feature of the camera logo—no different than the lens or rainbow components:



Had Instagram actually used the alleged mark INSTA separate and apart from the camera logo, Instagram would have filed a specimen showing use of that alleged mark. It did not do that, and for good reason: to date, Instagram has not actually used the alleged mark INSTA for the goods listed in the Application separate and apart from the camera logo. Instead, the alleged mark INSTA is a very minor component of the camera logo that creates no separate commercial impression as a mark itself. The specimen of use submitted in connection with the Application cannot support registration of the alleged mark INSTA under 15 U.S.C. §1051(a), because the specimen shows a mark that is materially different from the alleged mark.

In its application for registration of INSTA, Instagram also stated that no other person, firm, corporation or association had the right to use INSTA. This cannot be true in light of both common sense and Instagram's own filings with the Board. To begin, Instagram knew that, in fact, for many years prior to Instagram's alleged adoption of the alleged mark INSTA, third parties -- including but not limited to those in the photography field -- had used the term "INSTA," which Instagram was then attempting to obtain a registration and exclusive rights.

Instagram knew this because Instagram acquiesced to the use of many of these third party marks in its own terms of use provisions. In 2010, Instagram launched a social networking website designed to allow individuals to share photographs by posting photographs to the site or by sharing them through other social media platforms such as Facebook. To promote its services and build its social network, Instagram developed an application programming interface (“API”) meant to encourage third party software developers such as Pixels to develop new services to compliment Instagram’s online services. Instagram provided Pixels and others with API credentials that allow Internet users to import materials from Instagram’s site to third-party sites. Instagram’s website contained Terms of Use, which stated that third-parties were permitted to use the component INSTA or the component “GRAM” in trademarks, but were not permitted to use both components in a product name. Under these Terms of Use, Instagram allowed – or even encouraged – numerous companies, including Pixels to incorporate the alleged mark INSTA in third party marks. Through its previously published policies on its website Instagram.com, Instagram expressly consented to extensive third party use of the term “insta,” thus admitting that INSTA was descriptive and freely available for use by third parties.

However, on January 19, 2013, Instagram adopted new terms of use that were directly contradictory to its previous terms of use, which no longer included the provision that third parties were encouraged to use the component INSTA or “gram” in their product names. Instagram has now undertaken an aggressive campaign before the Board, filing a series of opposition proceedings and/or filing extensions of time to initiate opposition proceedings directed to a large number of marks that incorporate the formative INSTA: INSTABABES 86/419, 119, INSTAHITCHED 86/577,953, INTSALIFE 86/575,807, INSTAMATIC 79/164,380, INSTACAST 86/496,627, INSTAEDU 86/233,316, INSTAJAMZ 86/073,614,

INSTASTIX 86/030,687, INSTASNAGG 86/248,253, INSTACLIQUE 86/241,091, INSTACELEBS 86/290,902, INSTA PHOTO BOOTH 86/335,622, INSTAMOUR 86/122,354, INSTAPICS 86/218,129, INSTASONG 86/131,994, INSTAVEME 86/227,189, INSTALOVE 86/433,541, INSTADME 86/229,331, INSTAGATOR 86/441,518, INSTAPRAYER 86/022,405, INSTAAPPT 86/414,621, INSTAPLY 85/850,549, INSTAMEET 85/826,116, INSTACURITY 85/882,797, INSTAPICFRAME 85/857,016; 85/933,904, INSTACUBE 85/960,968, INSTAFRAME 85/857,021, INSTAGOOD 85/883,219, INSTABANG 86/036,656, INSTAPEER 86/156,316, INSTAFAN 85/827,826, and INSTAGRILLE 85/619,623, among others. Instagram has also opposed Pixels' mark INSTAPRINTS on the ground of likelihood of confusion and dilution, despite previously consenting to Pixels' use of the mark INSTAPRINTS and providing Pixels with API credentials. Like Instagram's opposition to INSTAPRINTS, many of the opposition proceedings filed by Instagram were filed against parties to which Instagram previously granted API credentials and previously encouraged to use the component INSTA through Instagram's original terms of use.

In sum, it is likely that no entity in the world is more familiar with the numerous uses of the component INSTA than Instagram. It initially worked hand in hand with companies using the component and now has turned against them. Despite this rich knowledge of the widespread use of the formative INSTA by third parties, Instagram has represented to the Board in its signed application that no other persons had the right to use a similar mark in commerce which would cause confusion or mistake. Pixels' Amended Opposition alleges these facts, which, in the context of Instagram's assault on its former business partners, show fraud.

II. ARGUMENT

The purpose of a Rule 12(b)(6) motion is to challenge "the legal theory of the complaint, not the sufficiency of any evidence that might be adduced" and "to eliminate actions that are

fatally flawed in their legal premises and destined to fail . . .” *Advanced Cardiovascular Systems Inc. v. SciMed Life Systems Inc.*, 26 USPQ2d 1038, 1041 (Fed. Cir. 1993). A motion to dismiss for failure to state a claim upon which relief can be granted is a test solely of the legal sufficiency of a notice of opposition. Instagram’s motion should be granted only if it appears certain that the Pixels cannot be entitled to relief under any set of facts that Pixels could prove in support of its claim. *See Space Base Inc. v. Stadis Corp.*, 17 USPQ2d 1216, 1218 (TTAB 1990). Pixels can withstand the motion to dismiss if it simply alleges such facts that if proven, would establish that it is entitled to the relief sought. *See Corporacion Habanos SA v. Rodriguez*, 99 USPQ2d 1873, 1874 (TTAB 2011). Put simply, to survive a motion to dismiss, Pixels’ Amended Notice of Opposition need only “state a claim to relief that is plausible on its face.” *Doyle v. Al Johnson's Swedish Restaurant & Butik Inc.*, 101 USPQ2d 1780, 1782 (TTAB 2012). Count II and Count III state claim that are plausible on their face.

A. Pixels has Alleged Sufficient Facts to Support Count II of the Amended Notice of Opposition

FRCP 12(b)(6) must be construed in tandem with FRCP 8(a), which requires that a pleading stating a claim for relief must contain (among other things): “a short and plain statement of the claim showing that the pleader is entitled to relief.” FRCP 8(a)(2). “The pleading requirements are merely intended to give the defendant fair notice of the claims and their grounds. *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555 (2007). In other words, “[t]he factual allegations must be enough to raise a right to relief above the speculative level on the assumption that all the allegations in the complaint are true (even if doubtful in fact).” *Id.* (citations omitted).

Under federal notice pleading, the allegations of a complaint should be construed liberally without requiring technical forms of pleading. *Megastar, Inc. v. Harris Corp.*, 2000

TTAB LEXIS 804, *4 (TTAB 2000) (citing Fed. R. Civ. P. 1, 8(a), 8(e)(1) and 8(f)). The Amended Notice of Opposition was sufficient to put Instagram on notice of the fact that Pixels believes the alleged mark INSTA is not entitled to registration as a result of Instagram's non-use of the mark separate and apart from the camera logo, which is the purpose of the pleading requirements. *Twombly*, 550 U.S. at 555 (2007) (citing *Conley v. Gibson*, 355 U.S. 41 (1957)). Instagram's Motion demonstrates that Instagram has received "notice" of the claims and the grounds. Instagram has no trouble identifying Pixels' claim of non-use and dedicates much of its brief attempting to incorrectly argue that Pixels' claim of non-use fails because use of the alleged mark INSTA as part of the camera logo constitutes use of INSTA as a separate mark. Motion, p. 6. Though Instagram misconstrues the law, its argument demonstrates that Instagram has received "notice" of Pixels' claim of non-use. Accordingly, Pixels respectfully request that the Court deny Instagram's Motion based on FRCP 12(b)(6).

B. The Factual Allegations Alleged In Count II Demonstrate That Instagram Has Not Used The Alleged Mark INSTA In Commerce.

Twombly does not impose a probability requirement at the pleadings stage. *Twombly*, 550 U.S. at 555. If it did, though, Instagram would successfully demonstrate a likelihood of success on its claim. Instagram again argues that Pixels has conceded that Instagram *has* used the alleged mark INSTA, which precludes the refusal of the mark on non-use grounds. Instagram misconstrues the allegations in Count II of the Amended Notice of Opposition. Pixels alleges that Instagram "does not currently and has never used the term INSTA separate and apart from the composite logo, as shown in U.S. Registration No. 4,531,884. Amended Notice ¶¶24-25. Instagram argues that this statement is a concession that Instagram *has* used INSTA, since there is no requirement that a word element be used separate and apart from a design element in order to be "used." Instagram wholly ignores Pixels' allegation that INSTA does not create a separate

and distinct commercial impression from the mark shown in U.S. Registration No. 4,531,884 and is therefore not registrable as a separate mark. Amended Notice ¶¶24-25.

A design and a word mark cannot be capable of separate trademark significance if the design and the word mark are so intertwined that they create a single commercial impression. *See* McCarthy § 7:27. Instagram does not dispute that there is no requirement that a mark be used alone and by itself in order to be considered “used” in commerce; Instagram argues that the alleged mark INSTA creates a commercial impression separate and distinct from the camera logo to be considered “used” in commerce. The law does not support this position.

Section 1051(a) specifically requires that the applied-for trademark be “used in commerce” in order to be registrable on the basis of use. While a mark does not have to be displayed in any particular size or degree of prominence, it must be used in a way that makes a commercial impression separate and apart from the other elements of the material upon which it is used, such that the designation will be recognized by prospective purchasers as a source identifier. *In re C.R. Anthony Co.*, 3 USPQ2d 1894 (TTAB 1987). Moreover, the proposed mark must not blend so well with other matter on [the] specimens that it is difficult or impossible to discern what the mark is. *In re Royal Viking Line A/S*, 216 USPQ 795 (TTAB 1982). In this case, Instagram’s alleged INSTA mark blends with the camera logo such that the camera logo, as a whole, creates a solitary commercial impression. The barely legible lettering within the logo does not create a commercial impression separate and apart from the mark as a whole.

Instagram relies on *General Foods Corp. v. Ito Yokado Co., Ltd.*, 219 USPQ 822 (TTAB 1983) to support its erroneous argument that the component INSTA need not be used as separate and apart from the camera logo to be registrable on the basis of use. The *General Foods* case, however, is inapposite; it does not address the issue at hand. That case speaks to whether

trademark owners are obliged to use a registered mark in commerce *alone* to avoid abandonment of a mark, not whether use of a tiny word *within* a composite logo constitutes use of a mark under 15 U.S.C. § 1051(a). The *General Foods* case does mention the fact that when the applicant filed its application for registration of a bird design alone, it submitted specimens showing the bird design used in combination with the words BIRDS EYE, and the Examining Attorney was “persuaded that the design mark made a separate commercial impression and that the design could be registered on its own on the basis of that separate commercial impression.” *General Foods*, 219 USPQ at 825. However, the case goes on to state that the “question of the correctness of the decision which resulted in issuance of the separate registration of the design” is not before the Board. *Id.* Had that question been before the Board, the Board could easily have found that the specimen did not support the registration—as Pixels argues here.

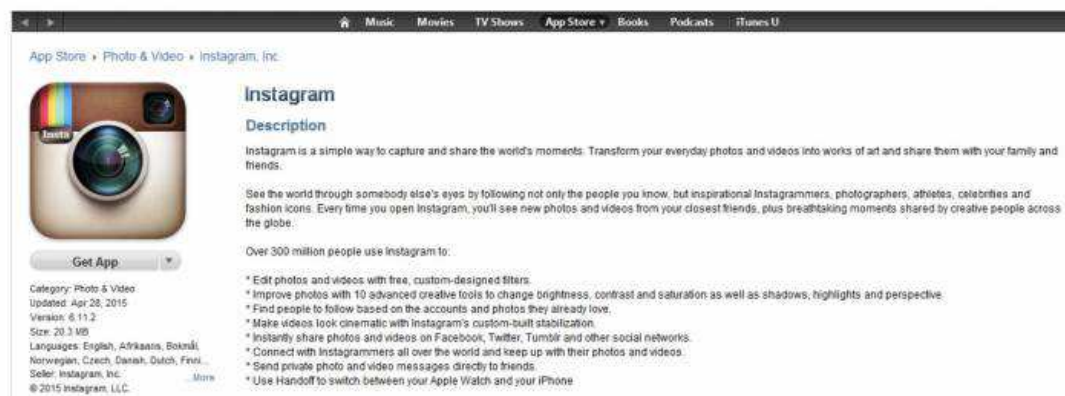
The TMEP states that, for applications filed under § 1 of the Trademark Act, the drawing must match the specimen. TMEP § 807.12(a). The mark in the drawing must be a substantially exact representation of the mark shown on the specimen. *Id.* Thus, simply stated, to correctly apply for registration of INSTA, Instagram must present a specimen that shows “INSTA” alone. Instagram instead produced a materially different mark—its already-registered camera logo:



Therefore, the claim of use of the alleged mark INSTA in commerce must fail. The application for registration of INSTA should not have been allowed publication based on use, because the specimen showed an entirely different mark from the mark in the drawing. The drawing depicts the following:

INSTA

The specimen depicts an “entirely different mark from the mark in the drawing,” in direct opposition to the requirements of TMEP § 807.12(a):



Section 1051(a) specifically requires that the applied-for trademark be “used in commerce”.

Instagram misses the mark. Pixels does not argue that two marks cannot be used in combination and both marks be separately registered and separately protected. Instead, Pixels argues that the word “INSTA” in small lettering within the camera logo does not create a separate and distinct commercial impression apart from the camera logo as a whole such that the mark INSTA has been used in commerce as a source identifier. Because Instagram does not currently and has never used the term INSTA as a mark, separate and apart from the composite camera logo, as shown in U.S. Registration No. 4,531,884, and because the specimen of use filed in connection

with the Application does not show use of the alleged mark INSTA as identified in the drawing, Instagram's mark has not been used in commerce in accordance with the requirements of 15 U.S.C. § 1051(a). Therefore, Pixels' claim for non-use states a claim upon which relief can be granted and should stand.

C. Pixels has Alleged Sufficient Facts to Support Count III of the Notice of Opposition

Once again, *Twombly* does not impose a probability requirement at the pleadings stage. *Twombly*, 550 U.S. at 555. But if it did, Pixels would successfully demonstrate a likelihood of success on its fraud claim. Instagram argues that Pixels' fraud claim fails to satisfy the Board's pleadings standards because Pixels does not allege facts that demonstrate that Instagram's declaration was not honestly held or was made in bad faith. It does. Instagram also alleges that Pixels fails to identify any particular party that had prior right sin INSTA and fails to allege that Instagram knew of those prior rights. It did not.

Pixels stated particular facts that, if proven, would establish that (1) there were other users of the same or confusingly similar marks at the time the oath was signed (2) the other users had rights to the marks at the time the oath was signed (3) Instagram knew that the other users had rights to the marks at the time the oath was signed and believed that a likelihood of confusion would result from its use of its marks and (4) in failing to disclose these facts to the Patent and Trademark Office, Instagram intended to procure a registration to which it was not entitled. *See Intellimedia Sports, Inc. v. Intellimedia Corp.*, 43 U.S.P.Q. 2d 1203 (TTAB 1997).

Instagram's argument hinges on the idea that Pixels is claiming Instagram failed to disclose third parties with superior rights in INSTA. Instagram misunderstands or misconstrues Pixels' claim. The essence of Pixels' fraud claim is acquiescence. Yet, in signing its declaration for registration of INSTA, Instagram pretended there had not been acquiescence. Despite

Instagram's (1) knowledge of the widespread use of the formative INSTA by third parties for highly related services and (2) previous acquiescence to others use of the formative INSTA in connection with highly related services through Instagram's terms of use, Instagram filed an application for registration of INSTA and signed a declaration stating that no other persons had the right to use a similar mark in commerce which would cause confusion or mistake. Clearly Instagram knew that third party marks that it believed were likely to cause confusion existed. Otherwise, Instagram would not have filed the multitude of opposition proceedings it did to oppose registration of marks to which it had previously consented.

Instagram argues that Pixels' failure to disclose to the PTO the rights of third parties is not fraudulent unless such other person was known by Instagram to possess a superior or clearly established right to use the same or a substantially identical mark. Instagram places emphasis on the concept of "superior rights." Although *Intellimedia Corp.* and Instagram refer to knowledge of "superior rights," the declaration does not use the terms "superior rights." Rather, it states:

The signatory believes that: if the Instagram is filing the application under 15 U.S.C. § 1051(a), the Instagram is the owner of the trademark/service mark sought to be registered; the Instagram is using the mark in commerce on or in connection with the goods/services in the application; the specimen(s) shows the mark as used on or in connection with the goods/services in the application; and/or if the Instagram filed an application under 15 U.S.C. § 1051(b), § 1126(d), and/or § 1126(e), the Instagram is entitled to use the mark in commerce; the Instagram has a bona fide intention, and is entitled, to use the mark in commerce on or in connection with the goods/services in the application. **The signatory believes that to the best of the signatory's knowledge and belief, no other persons, except, if applicable, concurrent users, have the right to use the mark in commerce, either in the identical form or in such near resemblance as to be likely, when used on or in connection with the goods/services of such other persons, to cause confusion or mistake, or to deceive.** The signatory being warned that willful false statements and the like are punishable by fine or imprisonment, or both, under 18 U.S.C. § 1001, and that such willful false statements and the like may

jeopardize the validity of the application or any registration resulting therefrom, declares that all statements made of his/her own knowledge are true and all statements made on information and belief are believed to be true.

(emphasis added).

The fact that the rights do not have to be superior is evidenced by Instagram's quote from *Woodstock's Enterprises, Inc. (California) v. Woodstock's Enterprises, Inc. (Oregon)*, 43 U.S.P.Q. 2d 1440 (TTAB 1997), aff'd 152 F. 3e 942 (Fed. Cir. 1998): "[A]n applicant's failure to disclose to the PTO the asserted rights of another person is not fraudulent unless such other person was known by applicant to possess a superior ***or clearly established right to use the same or a substantially identical mark*** for the same or substantially identical goods or services as those in connection with which registration is sought." (Emphasis added.)

Pixels stated in its Amended Notice of Opposition that before Instagram filed its application on May 21, 2015 (¶ 1), Instagram had explicitly stated that others, including Pixels, could use INSTA either alone or together with any term other than "GRAM" (¶¶ 6-7), and that Instagram specifically approved the INSTA marks not only of Pixels (¶ 8) but of many others (¶¶ 12-13). Pixels also showed in the Amended Notice that Instagram not only clearly knew of these uses because it had approved them but that, after it changed its mind about approving use by others of INSTA as a mark and in marks in 2013, it took action against the very uses which it had approved on the basis that such uses were likely to cause confusion with its mark (¶¶ 10-13) and filed an application in 2015 fraudulently stating that no other person had the right to use INSTA or any confusingly similar mark with the intention of obtaining the registration of the mark INSTA alone (¶¶ 29- 31, 33), a registration to which it knew it was not entitled since, as is clear from the foregoing and Count IV of the Notice, it had abandoned any right that it had to

INSTA alone by acquiescence to its use by others both alone and in marks which it considered to be confusingly similar.

These cited facts in the Amended Opposition clearly state a claim of fraud in that they show that (1) there were other users of the same or confusingly similar marks at the time the oath was signed (2) the other users had rights to the marks at the time the oath was signed (3) Instagram knew that the other users had rights to the marks at the time the oath was signed and believed that a likelihood of confusion would result from its use of its marks and (4) in failing to disclose these facts to the Patent and Trademark Office, Instagram intended to procure a registration to which it was not entitled.

Instagram's argument incorrectly hinges on the idea that Pixels claims Instagram did not disclose those having superior rights. This is not the case. What Pixels' claim states is that Instagram was aware, at the time of signing the declaration, of rights such that it could not make the statement that others did not have the right to use a confusingly similar mark. As the Amended Notice of Opposition properly alleges, Instagram knew there were third parties using what it believed to be confusingly similar marks. In its application for registration of INSTA, Instagram also fraudulently stated that no other person, firm, corporation or association had the right to use INSTA, though Instagram knew that, in fact, for many years prior to Instagram's alleged adoption of the alleged mark INSTA, third parties—including but not limited to those in the photography field—had used the term "INSTA," which Instagram was then attempting to obtain a registration and exclusive rights. (Amend. Notice ¶ 30.) Instagram knew this because Instagram acquiesced to the use of many of these third party marks. (*See id.* at ¶ 30.) In 2010, Instagram launched a social networking website designed to allow individuals to share photographs by posting photographs to the site or by sharing them through other social media

platforms such as Facebook. (*Id.* at ¶ 4.) To promote its services and build its social network, Instagram developed an API meant to encourage third party software developers such as Pixels to develop new services to compliment Instagram’s online services. Instagram provided Pixels and others with API credentials that allow Internet users to import materials from Instagram’s site to third-party sites. (*Id.*) Instagram’s website contained Terms of Use, which stated that third-parties were permitted to use the component INSTA or the component “GRAM” in trademarks, but were not permitted to use both components in a product name. (*Id.* at ¶ 5.) Under these Terms of Use, Instagram allowed – or even encouraged – numerous companies, including Pixels to incorporate the alleged mark INSTA in third party marks. (*Id.* at ¶ 47) Through its previously published policies on its website Instagram.com, Instagram expressly consented to extensive third party use of the term “insta,” thus admitting that INSTA was descriptive and freely available for use by third parties. (*Id.*)

However, on January 19, 2013, Instagram adopted new terms of use that were directly contradictory to its previous terms of use, which no longer included the provision that third parties were encouraged to use the component INSTA or “gram” in their product names. (*Id.* at ¶ 13.) Instagram has now undertaken an aggressive campaign before the Board, filing a series of opposition proceedings and/or filing extensions of time to initiate opposition proceedings directed to a large number of marks that incorporate the formative INSTA: INSTABABES 86/419, 119, INSTAHITCHED 86/577,953, INTSALIFE 86/575,807, INSTAMATIC 79/164,380, INSTACAST 86/496,627, INSTAEDU 86/233,316, INSTAJAMZ 86/073,614, INSTASTIX 86/030,687, INSTASNAGG 86/248,253, INSTACLIQUE 86/241,091, INSTACELEBS 86/290,902, INSTA PHOTO BOOTH 86/335,622, INSTAMOUR 86/122,354, INSTAPICS 86/218,129, INSTASONG 86/131,994, INSTAVEME 86/227,189, INSTALOVE

86/433,541, INSTADME 86/229,331, INSTAGATOR 86/441,518, INSTAPRAYER 86/022,405, INSTAAPPT 86/414,621, INSTAPLY 85/850,549, INSTAMEET 85/826,116, INSTACURITY 85/882,797, INSTAPICFRAME 85/857,016; 85/933,904, INSTACUBE 85/960,968, INSTAFRAME 85/857,021, INSTAGOOD 85/883,219, INSTABANG 86/036,656, INSTAPEER 86/156,316, INSTAFAN 85/827,826, and INSTAGRILLE 85/619,623, among others. (*Id.* at ¶ 12.) Instagram has also opposed Pixels’ mark INSTAPRINTS on the ground of likelihood of confusion and dilution, despite previously consenting to Pixels’ use of the mark INSTAPRINTS and providing Pixels with API credentials. (*Id.* at ¶ 11.) Like Instagram’s opposition to INSTAPRINTS, many of the opposition proceedings filed by Instagram were filed against parties to which Instagram previously granted API credentials and previously encouraged to use the component INSTA through Instagram’s original terms of use. (*Id.* at ¶ 13.) Despite knowledge of the widespread use of the formative INSTA by third parties for highly related services and despite Instagram’s previous acquiescence to others use of the formative INSTA in connection with highly related services through Instagram’s terms of use, Instagram filed an application for registration of INSTA, and signed a declaration stating that no other persons had the right to use a similar mark in commerce which would cause confusion or mistake. (*Id.* at ¶ 15.) Clearly Instagram knew that third party marks that it believed were likely to cause confusion existed. Otherwise, Instagram would not have filed the multitude of opposition proceedings it did to oppose registration of marks to which it had previously consented. In an effort to obtain a registration to which it was not entitled, Instagram then fraudulently executed the declaration for registration of INSTA, fraudulently stating that “no other persons, except, if applicable, concurrent users, have the right to use the mark in commerce, either in the identical form *or in*

such near resemblance as to be likely, when used on or in connection with the goods/services of such other persons, *to cause confusion or mistake, or to deceive.*” (emphasis added).

In short, the essence of Pixels’ fraud claim is acquiescence. Yet, Instagram, in signing its declaration, pretended there had been no acquiescence. Fraud in procuring a trademark registration occurs when an applicant for registration knowingly makes specific false, material representations of fact in connection with an application to register with the intent of obtaining or maintaining a registration to which it is otherwise not entitled. *See In re Bose Corp.*, 580 F.3d 1240, 91 USPQ2d 1938 (Fed. Cir. 2009). This is precisely what Instagram did, as alleged in Pixels’ Amended Notice of Opposition. Accordingly, Pixels’ fraud claim is not merely conclusory and is supported by specific factual allegations. Pixels’ claim for fraud properly states a claim upon which relief can be granted and should stand.

III. CONCLUSION

For the foregoing reasons, Instagram’s Motion to Dismiss Pixels’ Amended Notice of Opposition should be denied.

Respectfully submitted,

STITES & HARBISON, PLLC

Dated: March 28, 2016

/s/ Mari-Elise Gates

Joel T. Beres
Stites & Harbison PLLC
401 Commerce St., Suite 800
Nashville, TN 37219
P: 502.682.0324
F: 502.779.8335
jberes@stites.com

Mari-Elise Gates

Brewster Taylor
Stites & Harbison PLLC
1800 Diagonal Road, Suite 325
Alexandria, VA 22314
P: 703.837.3932
F: 703.518.2952
mgates@stites.com
btaylor@stites.com

Counsel for Pixels.com, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing AMENDED NOTICE OF OPPOSITION was served on counsel for Instagram, this 28th day of March, 2016, by sending it via First Class Mail, postage prepaid, to:

Anthony J. Malutta
Kilpatrick Townsend & Stockton LLP
2 Embarcadero Ctr, Fl 8
San Francisco, CA 94111-3833

Larry W. McFarland
Annie L. Albertson
Kilpatrick Townsend & Stockton LLP
9720 Wilshire Boulevard, PH Suite
San Francisco, CA 94111-3833

/mari-elise gates/
Mari-Elise Gates